



Distillate Watch

March 22, 2000

Energy Information Administration
Office of Oil & Gas

SUPPLY

- An increase in demand combined with decreases in production and imports resulted in a drop in distillate stocks. Total distillate stocks were 101.6 million barrels (MMB) on March 17, 2000, 1.1 MMB less than last week and 32.2 MMB less than last year. Low sulfur stocks at 62.5 MMB dropped 0.4 MMB from last week while heating oil stocks decreased 0.7 MMB to 39.1 MMB. Distillate production decreased slightly to 3.5 million barrels per day (MMBD). Imports at 0.3 MMBD decreased by 24 thousand barrels per day. Demand increased to 3.8 million barrels per day, a rise of 0.1 million barrels per day.
- This week U.S. crude oil input decreased slightly to 14.4 MMBD with refiners utilizing 89.8 percent of 16.1 MMBD in operating capacity.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	02/25/00	03/03/00	03/10/00	03/17/00	03/19/99	02/25/00	03/03/00	03/10/00	03/17/00	03/19/99
East Coast (PADD I)	468	500	461	461	367	151	238	226	210	110
Midwest (PADD II)	863	870	846	820	716	638	674	636	594	543
Gulf Coast (PADD III)	1,586	1,704	1,656	1,660	1,516	1,127	1,200	1,159	1,187	1,023
Rocky Mountain (PADD IV)	136	120	140	132	129	111	107	110	102	106
West Coast (PADD V)	392	383	391	405	423	312	272	325	334	342
U.S. Total	3,445	3,577	3,494	3,478	3,151	2,339	2,491	2,456	2,427	2,124

Distillate Stocks by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	02/25/00	03/03/00	03/10/00	03/17/00	03/17/99	02/25/00	03/03/00	03/10/00	03/17/00	03/17/99
East Coast (PADD I)	31.4	32.3	33.2	30.9	55.0	11.3	12.1	13.3	12.4	17.8
PADD IX	5.9	5.7	5.7	5.2	NA	1.6	1.6	1.4	1.5	NA
PADD IY	16.2	17.3	18.0	16.2	NA	5.1	5.9	6.5	5.9	NA
PADD IZ	9.4	9.3	9.4	9.4	NA	4.7	4.6	5.3	5.1	NA
Midwest (PADD II)	29.1	28.0	29.0	28.1	32.9	20.4	19.5	20.1	19.1	23.3
Gulf Coast (PADD III)	26.0	27.4	25.7	27.3	30.8	17.8	19.3	17.6	18.8	18.6
Rocky Mountain (PADD IV)	3.5	3.4	3.4	3.1	3.1	3.0	3.0	3.0	2.6	2.7
West Coast (PADD V)	10.9	11.5	11.3	12.2	12.0	8.9	9.2	8.9	9.6	8.9
U.S. Total	101.0	102.7	102.7	101.6	133.8	61.4	63.1	62.9	62.5	71.4

* See the *Weekly Petroleum Status Report* Appendix A for a description of the derivation of average inventory levels.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet: Infoctr@eia.doe.gov.

Source: Energy Information Administration, Weekly Petroleum Status Report (WPSR). Year-ago production data taken from comparable week last year; year-ago stock data interpolated from final Petroleum Supply Monthly data.

PRICES

- Convinced that OPEC is likely to yield to international pressure and increase output following the March 27 ministerial meeting, traders allowed crude oil spot prices to plunge in the last week. The New York Harbor spot price for low sulfur diesel gave up more than 10 cents to end at 69.33 cents per gallon on March 20, 2000. Prices on the West Coast replicated trends in the East to some extent and were further impacted by the restart of units at two refineries.
- The U.S. average on-highway diesel fuel price moved 1.7 cents in the opposite direction from gains seen in the West to end at 147.9 cents per gallon on March 20, 2000, 46.1 cents higher than last year. Residential heating oil prices dipped slightly over the last reporting period. The overall average dropped from 139.4 to 138.2 cents per gallon as of March 13, 2000, a decrease of 1.2 cents. Since mid-March of 1999, the residential price has increased 52.4 cents from 85.8 cents per gallon.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	02/28/00	03/06/00	03/13/00	03/20/00	03/22/99	02/28/00	03/06/00	03/13/00	03/20/00	03/22/99
New York	83.75	83.07	79.75	69.33	42.75	81.63	86.70	79.25	68.96	40.80
Chicago	89.38	88.58	83.38	75.71	42.88	NA	NA	NA	NA	NA
Houston	80.31	84.50	76.33	67.50	40.05	72.31	80.32	74.25	65.21	38.13
Los Angeles (CARB)	94.00	96.00	102.00	96.00	64.50	NA	NA	NA	NA	NA

Source: Reuters Information Services.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	02/28/00	03/06/00	03/13/00	03/20/00	03/22/99	02/21/00	02/28/00	03/06/00	03/13/00	03/15/99
East Coast (PADD I)	150.0	151.0	150.7	148.5	100.9	146.2	142.4	141.7	140.4	87.0
PADD IX	164.3	160.9	158.9	154.9	106.7	139.9	136.8	136.8	135.2	80.5
PADD IY	161.6	160.1	159.3	157.4	108.8	151.9	147.2	146.2	145.0	92.2
PADD IZ	143.8	146.2	146.3	144.1	96.9	136.9	136.1	134.6	134.4	84.6
Midwest (PADD II)	145.4	148.4	148.2	146.0	99.5	117.8	119.0	120.5	120.3	76.0
Gulf Coast (PADD III)	139.7	143.4	144.6	142.1	98.5	NA	NA	NA	NA	NA
Rocky Mountain (PADD IV)	142.4	146.5	149.4	150.7	104.7	NA	NA	NA	NA	NA
West Coast (PADD V)	151.0	156.5	160.0	160.9	116.2	NA	NA	NA	NA	NA
California	154.7	159.7	163.7	164.9	127.9	NA	NA	NA	NA	NA
U.S. Average**	146.1	149.0	149.6	147.9	101.8	143.1	139.9	139.4	138.2	85.8

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-8149.688, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA =Not Available.

For information about distillate spot and diesel fuel retail price data, contact the National Energy Information Center: 202-586-8800;

Internet: Infoctr@eia.doe.gov.